

PNR1G-191122-C-107B 948

Revised March 23, 2017

RECEIVED: 11/22/19	REVIEWER:	TYPE: CTB	APP NO: pDM2009225552
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Matador Production Company**OGRID Number:** 228937**Well Name:** Bill Alexander State Com 04-33 #114H; Marlan Downey State Com 04 09 23S 35E #113H, #114H**API:** 30-025-46259, -46254, -46255**Pool:** Rock Lake; Bone Spring, South**Pool Code:** 52769

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☒ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application
Content
Complete

- 3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kaitlyn A. Luck

Print or Type Name

Signature

11/22/19

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



Kaitlyn A. Luck
Phone (505) 954-7286
Fax (505) 819-5579
kaluck@hollandhart.com

November 22, 2019

VIA ONLINE FILING

Adrienne Sandoval
Director, Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Matador Production Company to authorize lease commingling, off-lease storage, off lease measurement, and off-lease marketing at the Marlan Downey East Tank Battery located in the NW/4 SE/4 (Unit J) of Section 4, Township 23 South, Range 35 East, NMPM, Eddy County, New Mexico.

Dear Ms. Sandoval:

Pursuant to 19.15.12.7 NMAC, individual spacing units are considered separate “leases” for surface commingling purposes. Accordingly, Matador Production Company (OGRID No. 228937) seeks administrative approval for lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the Marlan Downey East Tank Battery of production from the Rock Lake; Bone Spring, South (52769) pool from *all existing and future wells drilled in the following “leases”*:

(a) The 240.32-acre, more or less, spacing unit underlying the E/2 E/2 of Section 33, Township 22 South, Range 35 East, and the E/2 NE/4 of Section 4. The spacing unit is currently dedicated to the **Bill Alexander State Com 04-33 #114H well** (API No. 30-025-46259);

(b) The 240-acre, more or less, spacing unit underlying the W/2 SE/4 of Section 4 and the W/2 E/2 of Section 9. The spacing unit is currently dedicated to the **Marlan Downey State Com 04 09 23S 35E #113H well** (API No. 30-025-46254);

(c) The 240-acre, more or less, spacing unit underlying the E/2 SE/4 of Section 4 and the E/2 E/2 of Section 9. The spacing unit is currently dedicated to the **Marlan Downey State Com 04 09 23S 35E #114H well** (API No. 30-025-46255); and

(d) Pursuant to 19.15.12.10.C(4)(g), *future spacing units connected to this central tank battery* with notice provided only to the interest owners within these future “leases.”

Oil and gas production from these “leases” will be commingled and sold at the Marlan Downey East Tank Battery located in the NW/4 SE/4 (Unit J) of Section 4. Prior to commingling, gas production from each “lease” will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each “lease” will also be separately metered using turbine meters.

Exhibit 1 is a land plat showing Matador’s current development plan, flow lines, and central tank battery (“production facility”) in the subject area. The plat identifies the wellbores, the existing spacing units, and the common surface facilities located in the NW/4 SE/4 (Unit J) of Section 4.

Exhibit 2 is a C-102 for each of the wells currently permitted or drilled within the existing spacing units. None of these wells are producing yet.

Exhibit 3 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Benjamin D. Peterson, P.E., Senior Production Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (attachment A to the statement) and a referenced gas sample (attachment B to the statement).

Exhibit 4 is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A courtesy copy of this application has been provided to the New Mexico State Land Office since state lands are involved.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

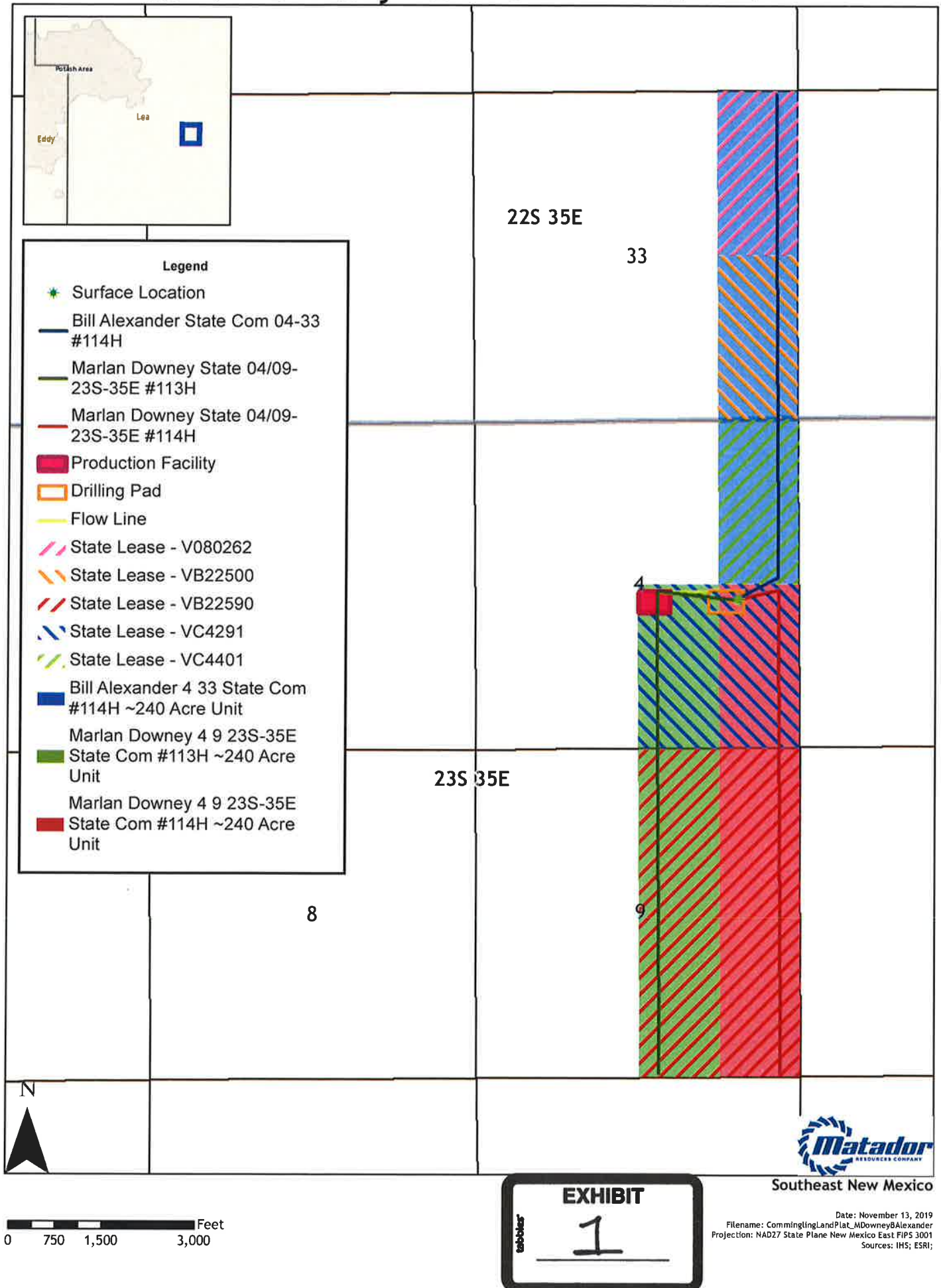
Sincerely,



Kaitlyn A. Luck

**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**

Marlan Downey / Bill Alexander Land Plat



S - S/P

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

OCD - HOBBS
07/22/2019
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AMENDED REPORT

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-46254	² Pool Code 52769	³ Pool Name Rock Lake; Bone Spring, South
⁴ Property Code 325951	⁵ Property Name MARLAN DOWNEY STATE COM 04 09 23S 35E	⁶ Well Number 113H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3542'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	4	23-S	35-E	-	2378'	SOUTH	973'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	9	23-S	35-E	-	60'	SOUTH	2302'	EAST	LEA

¹² Dedicated Acres 240	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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SL

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=797244 Y=486294 LAT.: N 32.3332881 LONG.: W 103.3709886 NAD 1983 X=838428 Y=486354 LAT.: N 32.3333931 LONG.: W 103.3714626</p>	<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=798581 Y=486142 LAT.: N 32.3328178 LONG.: W 103.3666646 NAD 1983 X=839765 Y=486203 LAT.: N 32.3329429 LONG.: W 103.3671384</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Sara Hartsfield</i> 7/16/19 Signature Date</p> <p>Sara Hartsfield Printed Name</p> <p>shartsfield@matadorresources.com E-mail Address</p>
<p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=797309 Y=478531 LAT.: N 32.3119300 LONG.: W 103.3710021 NAD 1983 X=838494 Y=478581 LAT.: N 32.3120552 LONG.: W 103.3714755</p>	<p>LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=797309 Y=478571 LAT.: N 32.3120400 LONG.: W 103.3710021 NAD 1983 X=838493 Y=478631 LAT.: N 32.3121651 LONG.: W 103.3714755</p>	<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>05/20/2019 Date of Survey Signature ANGEL M. TORRES NEW MEXICO PROFESSIONAL SURVEYOR 28118</p> <p>Certificate Number</p>

S:\SURVEY\MATADOR_RESOURCE\MARLAN_DOWNEY_STATE_COM_09-23S_35E\HNA_PRODUCES\MARLAN_DOWNEY_STATE_COM_04_09_23_35E_113H

EXHIBIT

2

S - S/P

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

District I
1625 N French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

OCD - HOBBS
07/22/2019
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-46255		² Pool Code 52769		³ Pool Name Rock Lake; Bone Spring, South	
⁴ Property Code 325951		⁵ Property Name MARLAN DOWNEY STATE COM 04 09 23S 35E			⁶ Well Number 114H
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3544'

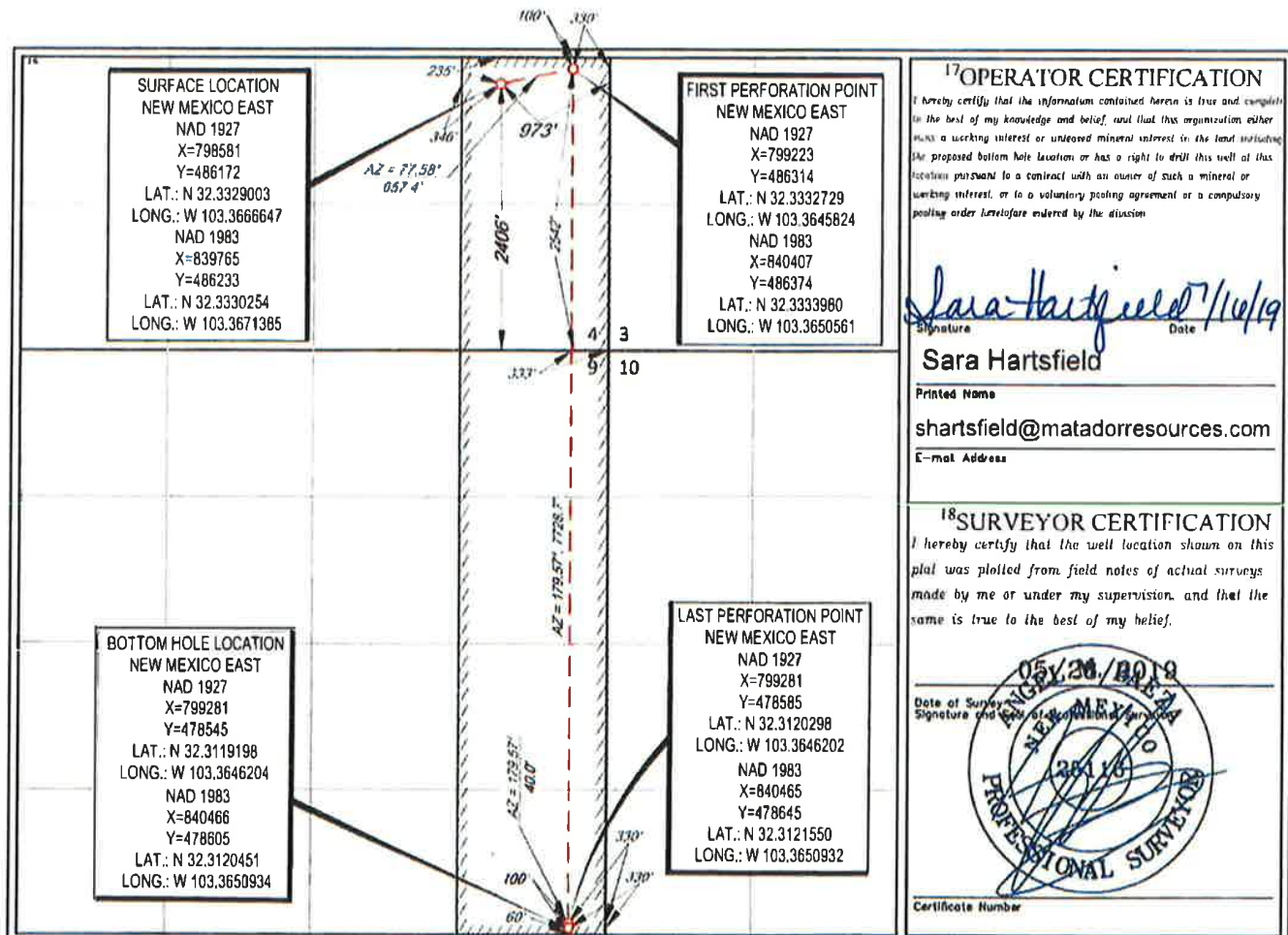
¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	4	23-S	35-E	-	2406'	SOUTH	973'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	9	23-S	35-E	-	60'	SOUTH	330'	EAST	LEA

¹² Dedicated Acres 240	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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SL

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



S - S/P

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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

OCD - HOBBS
07/23/2019
RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-46259	² Pool Code 52769	³ Pool Name Rock Lake; Bone Spring, South
⁴ Property Code 325964	⁵ Property Name BILL ALEXANDER STATE COM 04-33	⁶ Well Number 114H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3545'

¹⁰Surface Location

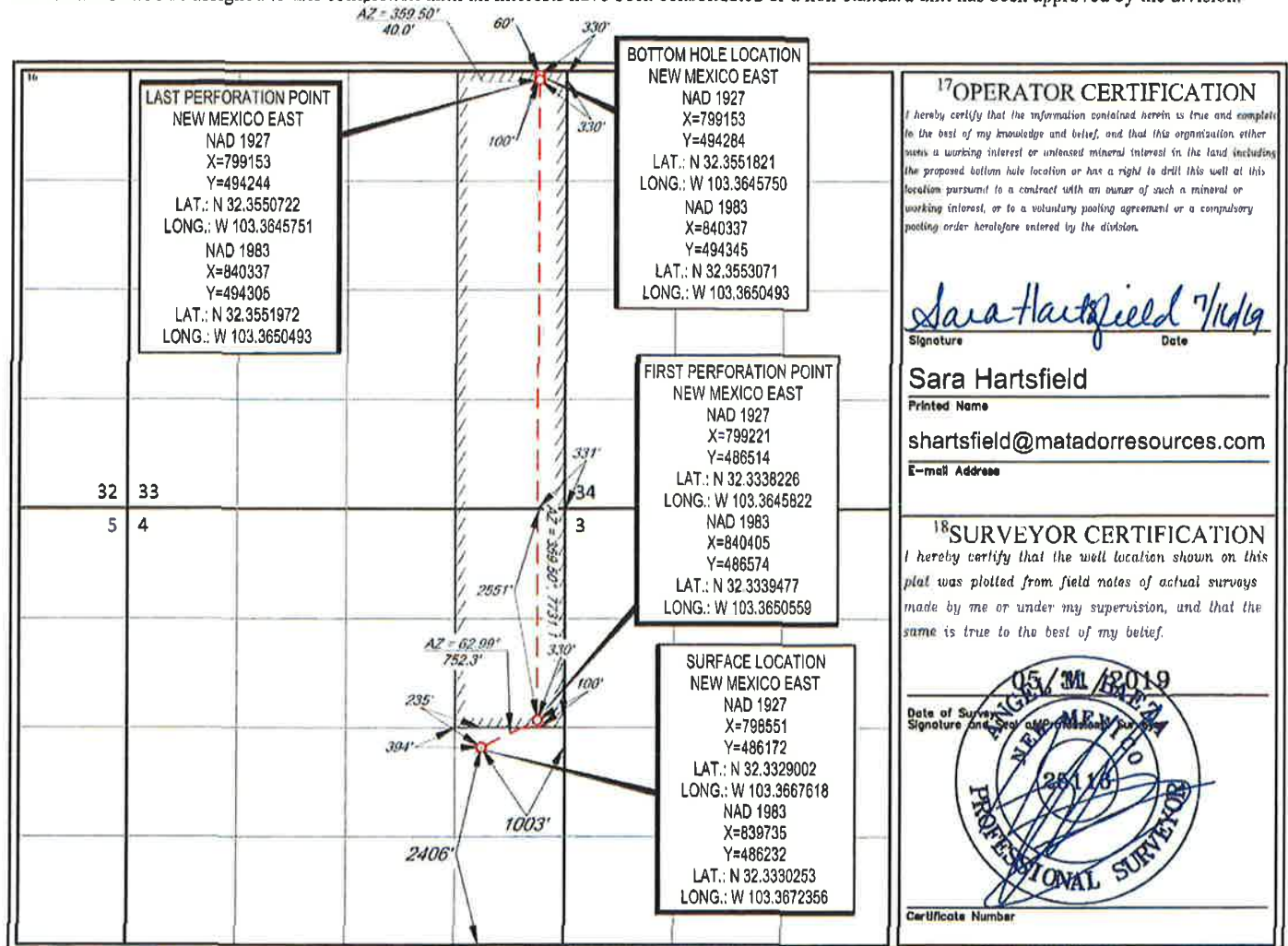
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	4	23-S	35-E	-	2406'	SOUTH	1003'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	33	22-S	35-E	-	60'	NORTH	330'	EAST	LEA

¹² Dedicated Acres 240.32	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



SL

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
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District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Matador Production Company
OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240
APPLICATION TYPE:
☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify) _____
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved _____

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code- Rock Lake; Bone Spring, South (52769)
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify) _____

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and B.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Ben Peterson TITLE: Sr. Production Engineer

DATE: 11/12/19

TYPE OR PRINT NAME: Ben Peterson

TELEPHONE NO.: (972) 371-5427

E-MAIL ADDRESS: bpeterson@matadorresources.com

EXHIBIT

3

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.587.4638 • Fax 972.371.5201
bpeterson@matadorresources.com

Benjamin Peterson, P.E.
Sr. Production Engineer

November 12, 2019

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application of Matador Production Company for administrative approval to surface commingle (lease commingle) and to off-lease measure, store, and sell production from the spacing units comprising Section 33, Township 22 South, Range 35 East, and Sections 4 and 9, Township 23 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands")

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle future oil and gas production from three distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual three-phase separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well's three-phase separator flows into one gathering line, as depicted on **Exhibit A**, the Longwood Gathering ("Longwood") line. Each well on the Lands will have its own three-phase separator with an orifice meter manufactured and assembled in accordance with American Gas Association ("AGA") specifications. All primary and secondary Electronic Flow Measurement ("EFM") equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter test/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute ("API") specifications to ensure accurate volume and Energy ("MMBTU") determinations. See example from Fesco Laboratory attached as **Exhibit B** hereto.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram ("PFD") attached as **Exhibit A** hereto. The PFD shows that the water, oil, and gas leave the wellbore and flow into a wellhead three-phase separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with API Chapter 21.1. The gas is then sent into a gathering line where it is commingled with each of

the other wells' metered gas. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the tank battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check, it travels directly into a third-party sales connect meter operated by Longwood. Longwood Gathering has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

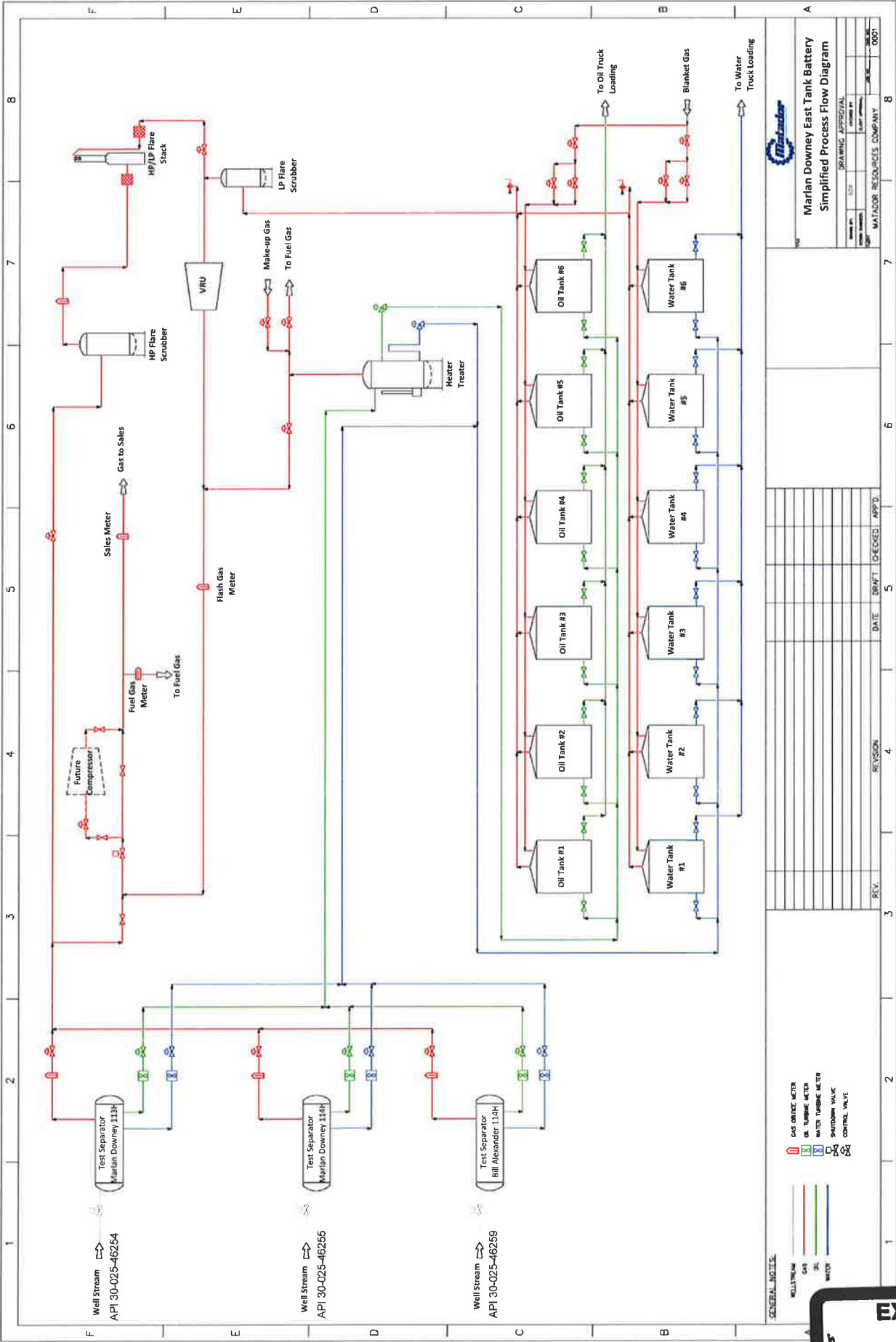
MATADOR PRODUCTION COMPANY

A handwritten signature in black ink, appearing to be 'B. Peterson', written over a horizontal line.

Benjamin Peterson, P.E.
Sr. Production Engineer

BDP/bkf
Enclosures

Exhibit A



EXHIBIT

A

November 8, 2018

FESCO, Ltd.
1100 Fesco Ave. - Alice, Texas 78332

For: Matador Production Company
 One Lincoln Centre
 5400 LBJ Freeway, Suite 1500
 Dallas, Texas 75240

Sample: Marlan Downey 9 23 35 AR STATE No. 111H
 First Stage Separator
 Spot Gas sample @ 163 psig & 84 °F

Date Sampled: 10/25/18

Job Number: 84059.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	0.450	
Nitrogen	1.832	
Carbon Dioxide	10.722	
Methane	66.680	
Ethane	12.222	3.347
Propane	5.805	1.637
Isobutane	0.000	0.000
n-Butane	1.223	0.395
2-2 Dimethylpropane	0.013	0.005
Isopentane	0.303	0.113
n-Pentane	0.294	0.109
Hexanes	0.224	0.094
Heptanes Plus	<u>0.232</u>	<u>0.094</u>
Totals	100.000	5.795

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity ----- 3.329 (Air=1)
 Molecular Weight ----- 96.04
 Gross Heating Value ----- 5039 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity ----- 0.828 (Air=1)
 Compressibility (Z) ----- 0.9960
 Molecular Weight ----- 23.88
 Gross Heating Value
 Dry Basis ----- 1155 BTU/CF
 Saturated Basis ----- 1136 BTU/CF

*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)
 Results: 283.0 Gr/100 CF, 4500 PPMV or 0.450 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) Dennis Field
 Analyst: MR
 Processor: RG
 Cylinder ID: T-4818

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015



FESCO, Ltd.

Job Number: 84059.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286
TOTAL REPORT

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	0.450		0.642
Nitrogen	1.832		2.149
Carbon Dioxide	10.722		19.757
Methane	66.680		44.788
Ethane	12.222	3.347	15.387
Propane	5.805	1.637	10.718
Isobutane	0.000	0.000	0.000
n-Butane	1.223	0.395	2.976
2,2 Dimethylpropane	0.013	0.005	0.039
Isopentane	0.303	0.113	0.915
n-Pentane	0.294	0.109	0.888
2,2 Dimethylbutane	0.002	0.001	0.007
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.026	0.011	0.094
2 Methylpentane	0.070	0.030	0.253
3 Methylpentane	0.047	0.020	0.170
n-Hexane	0.079	0.033	0.285
Methylcyclopentane	0.029	0.010	0.102
Benzene	0.017	0.005	0.056
Cyclohexane	0.037	0.013	0.130
2-Methylhexane	0.009	0.004	0.038
3-Methylhexane	0.012	0.006	0.050
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.021	0.009	0.087
n-Heptane	0.018	0.009	0.076
Methylcyclohexane	0.022	0.009	0.090
Toluene	0.024	0.008	0.093
Other C8's	0.018	0.009	0.083
n-Octane	0.005	0.003	0.024
Ethylbenzene	0.003	0.001	0.013
M & P Xylenes	0.004	0.002	0.018
O-Xylene	0.001	0.000	0.004
Other C9's	0.005	0.003	0.026
n-Nonane	0.001	0.001	0.005
Other C10's	0.003	0.002	0.018
n-Decane	0.001	0.001	0.006
Undecanes (11)	<u>0.002</u>	<u>0.001</u>	<u>0.013</u>
Totals	100.000	5.795	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.828	(Air=1)
Compressibility (Z) -----	0.9960	
Molecular Weight -----	23.88	
Gross Heating Value		
Dry Basis -----	1155	BTU/CF
Saturated Basis -----	1136	BTU/CF

November 8, 2018

FESCO, Ltd.**1100 Fesco Ave. - Alice, Texas 78332****Sample:** Marlan Downey 9 23 35 AR STATE No. 111H

First Stage Separator

Spot Gas sample @ 163 psig & 84 °F

Date Sampled: 10/25/18

Job Number: 84059.001

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	10.722		19.757
Hydrogen Sulfide	0.450		0.642
Nitrogen	1.832		2.149
Methane	66.680		44.788
Ethane	12.222	3.347	15.387
Propane	5.805	1.637	10.718
Isobutane	0.000	0.000	0.000
n-Butane	1.236	0.400	3.015
Isopentane	0.303	0.113	0.915
n-Pentane	0.294	0.109	0.888
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.079	0.033	0.285
Cyclohexane	0.037	0.013	0.130
Other C6's	0.145	0.061	0.524
Heptanes	0.089	0.038	0.353
Methylcyclohexane	0.022	0.009	0.090
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.017	0.005	0.056
Toluene	0.024	0.008	0.093
Ethylbenzene	0.003	0.001	0.013
Xylenes	0.005	0.002	0.022
Octanes Plus	<u>0.035</u>	<u>0.018</u>	<u>0.175</u>
Totals	100.000	5.795	100.000

Real Characteristics Of Octanes Plus:

Specific Gravity ----- 4.148 (Air=1)
Molecular Weight ----- 119.68
Gross Heating Value ----- 6323 BTU/CF

Real Characteristics Of Total Sample:

Specific Gravity ----- 0.828 (Air=1)
Compressibility (Z) ----- 0.9960
Molecular Weight ----- 23.88
Gross Heating Value
Dry Basis ----- 1155 BTU/CF
Saturated Basis ----- 1136 BTU/CF



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

MRC -Marlan Downey_Bill Alexander_C107B
CM# 83379.0001

Shipment Date: 11/22/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	7
Total	7

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0018 5770 12





Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.													
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
1.	9214 8901 9403 8399 9067 63	Caza Petroleum LLC 200 N Lorraine St Ste 1550 Midland TX 79701		0.65	3.50								1.60				
2.	9214 8901 9403 8399 9067 70	Gaedeke Holdings VII Ltd 3710 Rawlins St Ste 1430 Dallas TX 75219		0.65	3.50								1.60				
3.	9214 8901 9403 8399 9067 87	The Allar Company PO BOX 1567 Graham TX 76450-1567		0.65	3.50								1.60				
4.	9214 8901 9403 8399 9067 94	Strategic Energy Income Fund IV LP 1521 N Cooper St Ste 400 Arlington TX 76011		0.65	3.50								1.60				
5.	9214 8901 9403 8399 9068 00	Highland (Texas) Energy Company 7557 Rambler Rd #918 Dallas TX 75231		0.65	3.50								1.60				
6.	9214 8901 9403 8399 9068 17	State of New Mexico PO BOX 1148 Santa Fe NM 87504-1148		0.65	3.50								1.60				
7.	9214 8901 9403 8399 9068 24	Susan Marie Thoma PO BOX 17655 Golden CO 80402		0.65	3.50								1.60				
Total Number of Pieces Listed by Sender 7		Postmaster, Per (Name of receiving employee)															



Kaitlyn A. Luck
Phone (505) 954-7286
Fax (505) 819-5579
kaluck@hollandhart.com

November 22, 2019

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company to authorize lease commingling, off-lease storage, off lease measurement, and off-lease marketing at the Marlan Downey East Tank Battery located in the NW/4 SE/4 (Unit J) of Section 4, Township 23 South, Range 35 East, NMPM, Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Brian Fancher
Matador Production Company
972-371-5242
bfancher@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck".

Kaitlyn A. Luck
ATTORNEY FOR
MATADOR PRODUCTION COMPANY